

DD/A Registry
File *Training*

DDA 77-3404

13 JUN 1977

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: John F. Blake
Deputy Director for Administration

SUBJECT: Seminars on Creativity and Ethics

REFERENCE: Memorandum for Multiple Addressees from
Acting DCI, dated 25 February 1977, Subject:
Recommendations of Seminars on Creativity
and Ethics

For your information, the Office of Training is now in receipt of two copies of reports on the results of Directorate-wide surveys on the subject of creativity and controls. One of these is from the DDS&T and the other the DDA. You will recall you asked each of us to report these results to you directly. It is our understanding that the DDI survey is in process and that the DDO hopes to begin soon.

/s/ John F. Blake

John F. Blake

cc: DDI
DDO
DDS&T

ADDA/Malanick:lm (10 June 1977)

Distribution:

Orig - DDCI
1 - ER
1 - DDI
1 - DDO
1 - DDS&T

① - DDA Subject
1 - DDA Chrono
1 - MJM Chrono
1 - JFB Chrono

Background:

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010015-1

1. DDA 77-0995, Memo for DDA, DDI, DDC & DDS&T from Acting DCI, dated 25 Feb 1977, Subject: Recommendations of Seminars on Creativity and Ethics.
2. DDA 77-3056, Memo for DDCI from DDA, dated 6 June 1977, Subject: Seminars on Creativity and Ethics.
3. DDA 77-3213, RS for DDA from D/OTR, dated 6 June 1977, transmitting copy of DDS&T Sminar on Creativity & Ethics.

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**DDS&T SEMINAR
ON
CREATIVITY AND ETHICS**

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010015-1

DDS&T-2539-77

27 MAY 1977

MEMORANDUM FOR: Deputy Director of Central Intelligence
SUBJECT : Recommendations of Seminars on Creativity
and Ethics

1. Pursuant to your request, I have met with a representative group of DDS&T employees to study the conclusions reached and recommendations made by the Agency groups that previously addressed this subject. On the whole, our employees agreed with the tenor of the Seminar Report. As you might expect, we felt that certain conclusions applied to the DDS&T more than others. A few additional topics, not previously surfaced, were identified by our employees. The principal conclusions reached by the DDS&T group were:

a. Resource (man-hours and money) constraints are stifling creativity. Insufficient funds, lack of time for innovative thinking, and the necessity for new programs to show an early (premature) observable pay off were cited as examples of this conclusion. Although it was recognized that resource constraints are, in part, spawned by external factors, the group felt that Agency management must be more imaginative and forceful in supporting a budget that allows for risk taking and innovative thinking. Further we must give greater attention to the needs of the Agency as well as those of the Intelligence Community. We also saw a need for better marketing of our programs to outsiders.

b. Decision making is being elevated upward. This has an adverse impact on creativity as well as on the growth of middle management and morale. There was a general feeling that management is becoming "gun-shy" and defensive, probably because of the past disclosures of misdeeds. It is important for management to regain the initiative and to delegate more authority downward, and to be willing to admit they do not know all the answers themselves.

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SUBJECT: Recommendations of Seminars on Creativity and Ethics

c. The existing channels for dissent are not adequate. The current channels are seen as too formal and are associated with the chain of command. A few members of the group felt that because of this certain Agency employees may be too apprehensive to use the existing dissent channels.

d. Canon of Ethics. Although the subject of ethics per se was not seen as a significant problem area in the DDS&T, several observations were made that are illuminating. There was serious doubt as to the advisability or the practicality of a canon of ethics. We cannot legislate ethics and the effort might be seen as self-serving. Overall, we feel that the Agency's standards are higher than those of the country as a whole. We made mistakes, yet we ourselves corrected them....and we should now get on to the business at hand.

25X1A 2. The seminar team we assembled consisted of thirty employees from throughout the Directorate. The group was representative in terms of grade, occupational category, race, sex and age. [REDACTED] the Agency action officer on the seminars, was also present and participated in our discussions. Attached is a summary of the conclusions and recommendations generated by our seminar. If you wish further detail on our seminar, my staff and I are available to assist you.

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[REDACTED]
ERNEST J. ZELLMER
Associate Deputy Director
for
Science and Technology

Attachment:
As Stated

DDS&T CREATIVITY AND ETHICS SEMINAR - 26 APRIL 1977

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

1. This paper summarizes the discussions held by a group of thirty (30) DDS&T employees on the subject of creativity and ethics on 26 April 1977. An attempt has been made to group the conclusions and recommendations made by subject category to aid in identifying the primary issues.

2. One of the topics which received the greatest attention was the notion that creativity was being stifled by the current budget controls and restrictions placed on the Agency. As an example, the DDS&T group observed that new programs must offer successful guaranteed results early in their life cycle to be supported, thereby discouraging R&D and high risk endeavors. They considered exploratory research to be a necessary building block in creativity. Most of those present did agree with the criticism that the Agency, or at least the DDS&T, has not given enough attention and effort into marketing new and existing programs. One of the participants in the seminar cited examples in industry and government where professional advertising techniques were employed to "sell" programs. In the opinion of the group, the negative effects which we face as a result of tightening budgetary controls is the single most serious problem facing the DDS&T. It was also noted, however, by a number of employees in our group, that monetary pressures at times have a beneficial effect on the Agency in that they tend to prevent the perpetration of unproductive programs and force us to be more innovative with the resources that we have.

3. The DDS&T group reached a strong consensus that decision making itself, and in part the authority for same, is being sucked upward. In addition they felt that this situation was being compounded by a tendency for mid-level managers to push decisions upward. There was general agreement that this was due, in part, to the reluctance of managers at all levels to take risks and the growing concern of top management to know everything that is going on. The elevation of decision making was viewed as having a direct impact on the topics of support for new programs, dissent charges and fostering creativity. One employee boldly claimed that the Agency is "running scared." In milder terms, several of the

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participants noted that in the Intelligence Community area, the Agency is now seeking compromises, and in the process is diluting its convictions and positions. One of the more profound conclusions reached by the group which attacks this overall degradation of courage was that creativity requires some risk taking.

4. At several points in the seminar, the issue of fostering creativity was commented on. In general, the group felt that there was a great deal more that could be done by Agency managers to help set the stage for creativity and innovation. Several of the employees present complained that they were never encouraged nor had the opportunity to take time out for creative thought and planning. One technique employed in a few components is to detach employees from their regular duties to dedicate themselves fully to the development of a promising new concept. Several of the older employees in the group felt quite strongly that the Agency was becoming more bureaucratic, and as a result lethargic, as a functionally action-oriented organization. These same employees went on to observe that senior Agency managers were not actively fighting this evolution. We agreed that a key ingredient in fostering creativity was communications, both up and down the line. Examples were cited of cases where an atmosphere of creativity was the result of simple actions that certain individual managers had taken. They also offered the opinion that the creativity of one rubs off on others around him; this leads us to another catchy yet sensible platitude that the group formulated: Creativity is contagious.

5. Unlike the two Agency-wide groups, our employees did not associate personnel management practices or policy per se with the seminar topics to a significant degree. Several observations were made which do relate to the human factor. A need was claimed by a few for greater attention to the self-realization needs of Agency employees. This they recommend should come in the form of more feedback from above on both the substantive and the personal aspects of an employee's performance. We all agreed that employees must know that their work is worthwhile and of value to the country. In an indirect way, this ties in with our discussion of a code of ethics (see paragraph 7 below). Later, the group returned to this general topic when a conclusion was reached that the real incentive for most employees is self-satisfaction. If this is blocked, the employee tends to lose initiative in their work and with it any motivation toward creativity and innovation. The group also discussed the virtues of a dual career track system where individuals have advancement opportunities in a

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specialized (e.g., technical) field void of managerial responsibilities, as well as up the usual management ladder. A few of those present felt that by divorcing certain specialists from administrative and managerial responsibilities we could, in turn, spawn greater creativity.

6. Before turning to ethics, the group quickly touched on management tools such as MBO. In general, this group did not feel that MBO has a practical application in the Agency. There was some support for the principles of zero-based budgeting. Bull

7. On the broad topic of ethics, the group concentrated on two issues: a canon of ethics and responsible dissent. The group, as a whole, was skeptical of the practicality and value of a formal canon of ethics, let alone the ability to ever adequately define the canon. Several members of the group recommended that the President should publicly address this subject by giving the country an explanation of what the Agency stands for and the bounds within which it operates. Conversely, a few felt that a canon of ethics would be helpful, especially when used in a training environment. One interesting statement was made by a seminar participant: "Either the country has an ethical standard or not, we cannot legislate it."

8. The group did reach a consensus of opinion on dissent and the channels for same. We acknowledged that several authentic channels exist for voicing dissent yet these are associated, in the eyes of the employees, with the system they are, in effect, questioning. Several employees observed that a general fear of retaliation, which can well take subtle forms, exists in using the formal dissent channels. In short, the members felt that one was endangering his/her career by expressing dissent. One approach, which a few members of the group endorsed, is the use of a hot line where employees can call in anonymously with complaints and criticisms.

9. There was a brief discussion on the potentially ethical question of the right to conduct overhead reconnaissance. We agreed that in the past this has been quietly accepted yet the ethical issue was real. On foreign liaison, the group concluded that we generally are merely following existing, and usually publicly acknowledged, official U.S., relations policy. We did recognize, however, that there are situations where the U.S. does not acknowledge official relationships with a foreign power yet we, the Agency, are expected to maintain liaison associations. Here, we felt, another potential ethical problem area could exist.

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CENTER FOR THE STUDY OF INTELLIGENCE

2 June 1977

Art,

Attached is a copy of the DDS&T product of its consideration of Creativity and Ethics. I received it today. DDS&T worked ~~xxxx~~ its consideration of the topic in one broad seminar. Perhaps you might want to forward this on to Mr. Fitzwater, and he in turn may want to pass it on to Mike Malanick who was the DDA officer for the DDA charged with responding to Mr. Knoche's request. I have seen the account of the OTR discussion on this topic held with Mr. Malanick, but not seen any other ones with the other DDA Offices. Did Mr. Malanick ever consolidate the individual Office discussions into a sort of package or memo addressed to Mr. Knoche? If he did, I would very much appreciate seeing a copy.

(As you know, DDI is just getting underway with

its consideration, and the DDO has not done

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Deputy Director for Administration

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John F. Blake

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